

LUMPKIN COUNTY WATER AND SEWERAGE AUTHORITY

BOARD MEETING

February 16, 2016

Lumpkin County Administration Building Conference Room

Members in attendance: Murl Jones, John Gaston, Rhett Stringer, Vic Dover, Charles Trammell, CL Grizzle

Others in attendance: Sean Phipps, Dee Harris, Joy Edelberg, Bruce Hoffman, Johnny Trammell

Call to order: Chairman Murl Jones called the meeting to order at 2:002pm

**Approval of Agenda:** John Gaston. Second: Charles Trammell. Motion carried unanimously.

**January 19, 2016 Regular Meeting Minutes:** Motion to approve the minutes: Vic Dover. Second: Rhett Stringer. Motion carried unanimously.

**Financials:** Director Sean Phipps presented financial reports for January. Rhett Stringer asked about penalty for delay of storage tank project. Sean Phipps explained the penalty of \$1000 had been charged for December and January but recent work on the entrance to the access road qualified as under construction so the penalty will no longer be charged. Sean also explained the item coded to miscellaneous expenses that is sending the account over budget is the cost to replace a damaged fire hydrant hit by a motorist. Once insurance reimburses the cost amount will be posted to miscellaneous income. Motion to accept January financial reports: Charles Trammell. Second: John Gaston. Motion carried unanimously.

**Purchasing Card Policy** – Dee Harris explained the lack of a purchasing card policy was an item the auditors noted every year. This is a simple policy that outlines the correct use of a purchase card and requires the employee to sign a statement accepting the terms of the policy and the responsibility to keep card secure. Motion to adopt purchasing card policy: John Gaston. Second: Vic Dover. Motion carried unanimously.

**GEFA Loan for Whelchel Road Looping Project** – Documents presented to members for loan in the amount of \$750,000 with \$300,000 loan forgiveness. WSA to finance for 10 years using 2014 SPLOST funds to make note payments. Sean noted the documents will need to be signed at next meeting in order to meet May deadline.

Member Charles Trammell asked for an accounting of all project debt. Sean presented a spread sheet noting the 400 Production Well project was funded with 2008 SPLOST funds leaving no debt. The Water Line Extension into Camelot project is to be funded with a \$500,000 grant and 2008 SPLOST funds with any remainder coming from WSA revenue account and/or renewal and extensions. The Elevated Storage Tank is to be funded with \$300,000 grant, \$250,000 loan forgiveness and the balance of \$750,000 financed for 20 years. The Whelchel Road Looping Project is to be funded with \$500,000 2014 SPLOST funds used to pay note, \$300,000 loan forgiveness. For these four projects the amount of debt is approx. \$750,000 to be paid from operating revenue over 20 years.

Board will need to adopt a resolution authorizing Chairman Jones to sign the loan documents next month.

Storage tank land purchase is closing tomorrow.

**Director's report** – attached.

Motion to adjourn: Vic Dover. Second: C. L. Grizzle. Motion carried. Meeting adjourned at 2:44pm

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Approved

## **Directors Report: February 16, 2016**

### **Health and Safety Issues:**

Nothing to report.

### **Repair and Maintenance:**

- **400 Water System** - LCWSA replaced a damaged fire hydrant that was struck by a vehicle near the Dollar General Store on Highway 60. LCWSA also repaired a main break at River Trace Drive in the River Trace Subdivision.
- **Wellington** – LCWSA has re-piped the Elba well house with stainless steel pipe and is working to make general improvements to that well house.
- **Greenwood Park** – LCWSA installed new VFD controller and brought additional booster pump online for system redundancy.
- **Fern Park** – LCWSA rebuilt the filter at Fern Park Well #1.
- **General Maintenance** – LCWSA worked on preventative maintenance issues at all wells in the systems and completed pressure test on all bladder tanks at all systems.

### **Construction Projects:**

- **Elevated Storage Tank** – LCWSA began construction of access road off of Auraria Road. All improvements completed to date have been located inside the limits of the road right-of-way. LCWSA coordinated with Sawnee EMC to request their assistance in removing trees located within the right-of-way that are in close proximity to the access road.

Sawnee also agreed to move a guy wire from a utility pole that was in conflict with the proposed access road. LCWSA is preparing to extend the access road up the hill to reach the tank site once the property closing is complete.

LCWSA submitted its first draw request to GEFA for the materials purchased for the road improvements. GEFA met with LCWSA at the project site and has agreed to stop charging fines to LCWSA since construction activity has begun for the project.

John Gaston and Joy Edelberg continue to assist LCWSA in preparing closing documents for the purchase of the tank site property from Vera Horton. LCWSA is working toward a closing date of February 18<sup>th</sup>.

- **Camelot** – Griffin Brothers has scheduled a “Large Project Locate” meeting on February 25<sup>th</sup>. The purpose of the meeting is to coordinate for the locating and marking of existing utilities along the project route. Construction is expected to begin by mid-March.

LCWSA mailed notification to the property owners adjacent to the construction project along Red Oak Flats Road and Old Dahlonga Highway. The letter notified them that property owners adjacent to the construction project could be eligible for a free water tap if the household qualified as “Low to Moderate” income status. To date LCWSA has received no response to the notification letter.

#### **Budget:**

The LCWSA Board of Directors approved the 2016 Operations Budget at the January meeting.

LCWSA has made a modification to the Monthly Financial Reports that staff believes will make it easier to review the reports. As discussed at the January meeting, payments of principal on debt service is shown on the monthly cash flow report instead of being reported as listed as an operation expense.

Last year, LCWSA replaced two older computers that were no longer eligible to receive support and updates for Microsoft Windows. In January, LCWSA replaced two more computers. The computers that were replaced had been in service from five to ten years. All LCWSA workstations are currently have a three-year replacement warranty and we are targeting at least five years of service life. The computer purchases totaled approximately \$6,700 and were posted as an asset on LCWSA’s Balance Sheet.

#### **Training:**

Johnny Trammell has received his Class 3 Water Operators License.

Sean Phipps will be attending a Water Audit Training Session hosted by the Georgia Association of Water Producers on February 17<sup>th</sup>. Sean will also attend a Small Utility Forum hosted by the Georgia Association of Water Producers in March.